



SENT TO COUNCIL: FEB 4 2005

Forwarded on:

*Memorandum*

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Katy Allen

**SUBJECT:** DESIGN BUILD STATUS /  
AEA COORDINATION  
(CR 12-14-04-3.8 and CR 11-30-04-2.15)

**DATE:** 01-28-05

Approved

Date

2-2-05

### INFORMATION

#### BACKGROUND

On November 30, 2004, Council approved a consultant agreement for the design of the Fire Station #17 improvements. Council requested that staff develop a process to coordinate recommendations for consultant services with the Architects and Engineers Association (AEA/IFPTE21). On December 14, 2004, Council approved the implementation ordinance for the design build charter amendment (Measure D). Council requested that staff provide a report regarding future coordination with the AEA in the design-build process.

This report provides information on the process that will be used for involving AEA in decisions for the use of outside consultants and Measure D implementation, with the goal of maximizing the utilization of in-house resources.

#### Proposed Process

The consultant selection procedures and design build implementation ordinance currently provide a number of areas where stakeholders are provided opportunities to be involved in the process. These opportunities are listed in Attachment A. In addition to these opportunities, staff is focusing on three key areas to maintain open and effective communications with AEA:

- Early involvement in resource planning and decisions.
- Maintaining regular two-way information flow.
- Maintaining a flexible approach to maximize the utilization of City staff.

### Early Involvement

Staff will engage AEA early in the planning process for each fiscal year by having an interactive dialogue on proposed Departmental staffing plans. These staffing plans are prepared and finalized in the February to April time frame, as part of the budget process, and are the planning tools used to determine whether or not consultant services will be needed. Staff will work with AEA to address their input on these plans.

### Information Exchange

Staff will maintain an on-line list of “candidate” projects that staff is analyzing for design-build implementation under Measure D. Staff will solicit feedback from stakeholder groups on the pros and cons of using the design-build procurement process permitted by Measure D for these projects and will consider this feedback when developing recommendations to the Council regarding these candidate projects.

### Flexibility

Staff will strive to maintain a flexible and dynamic communication process with AEA relating to project staffing and delivery methods. Because of the uniqueness of each project, timelines often change requiring management to address staffing assignments on an on-going basis. Staff will continue to work with AEA to discuss these changes that may have impacts on their members. Staff will continue to recommend the use of consultants for work that exceeds our base workload as a strategy to maintain a steady City workforce and avoid layoffs.

### **OTHER ISSUES RAISED BY AEA**

Staff will include provisions in all RFP’s aimed at maintaining high quality design and construction and at ensuring that relevant laws, policies and regulations are adhered to by the design-build entity.

Staff will implement benchmarking procedures for Design Build projects similar to performance targets for traditional design-bid-build projects. Attainment of cost, time, quality and other goals will be measured and tracked in accordance with the same methods and procedures used for traditional design-bid-build projects. Because it is anticipated that there will be a relatively small number of projects that use the new charter provisions, it is proposed that a separate report be provided to Council for each project and the project compared to industry standards.

### **UPDATE ON MANAGER'S BUDGET ADDENDUM #49**

Manager's Budget Addendum #49, dated May 28, 2004, identified six candidate projects for consideration for using the Measure D Design Build project delivery method. As part of the on-going effort to keep AEA informed of Measure D project activity, the following is a brief status report on these projects:

1. Airline Maintenance Facility – a consultant has been retained to assist staff with this project. The consultant is currently developing preliminary concepts for the facility and will, subsequently, assist staff with a cost/schedule analysis to determine whether a competitive RFP design-build procurement process would meet the requirements of Measure D. If the analysis supports proceeding with the project under the Measure D procurement process and the Council agrees with this finding, then the consultant will prepare an RFP for Council approval.
2. North Concourse Baggage System – Airport Program Management staff has completed a preliminary analysis for this project. The analysis indicates that a low bid procurement process is preferable for this project rather than the competitive RFP design-build process allowed under Measure D. A presentation of Airport procurement strategies is scheduled for an upcoming Council workshop. Staff is currently preparing bid documents for a “low-bid” project and expects to issue these documents for bids in March 2005.
3. North Concourse Information Technology System – Airport Program Management staff has completed a preliminary analysis for this project and has determined that it does not include construction work. Based on this analysis, staff is preparing a Request for Proposals for a General Services type of procurement process, similar to the new process developed for the City Hall converged network.
4. Singleton Sports Park - the project is currently in the Master Planning phase. Analysis of project delivery options will be performed upon completion of the Master Plan.
5. Public Safety Driver Training Center - the project is currently in the planning phase. Analysis of project delivery options will be performed upon completion of the Master Plan.
6. Fourth Major Interceptor Phase VI - the project is currently in the planning phase. Analysis of project delivery options will be performed upon completion of the Master Plan.

Two other projects have recently been suggested for consideration for Design Build as follows:

1. Airport Taxiway Yankee Reconstruction – this project was previously proposed for funding in FY 2006-07. However, because of the availability of Federal monies, this project may be recommended for implementation in FY 2005-06. A requirement of the Federal grant is that a bid for the project be opened prior to August 2005. A preliminary assessment of this project indicates that a “low bid” Design Build approach may be preferable to the “Competitive RFP” Design Build approach that is permitted under Measure D. Federal grant requirements mandate the use of competitive bids, rather than RFP’s. Staff is currently preparing bid documents for a “low-bid” project and expects to issue these documents for bids in June 2005.
2. Central Service Yard Phase 2 - this project was also previously proposed for funding in FY 2006-07. However, because of interest in moving forward with the Japantown Redevelopment of the Main Yard, it has been suggested a Design Build may be an appropriate solution for moving this project forward quickly. Additional analysis will be performed on this project prior to final recommendations.

Staff has met with AEA to review the information in this memo and they acknowledged the proposed approach.



Katy Allen  
Director, Public Works Department

DC:jb  
g: Council-INFO DB Status

Attachments

## **DESIGN BUILD STATUS / AEA COORDINATION**

Opportunities for public involvement in Design Build projects currently required under Design Build Ordinance and other Policies:

1. Prior to initiating a request for consultant services, staff does analysis to ensure that it is appropriate to use outside consultants rather than in-house staff. The written results of this analysis are provided to interested unions and discussed.
2. When consultant services are necessary, RFQ's and RFP's are published and are available for public comment. This is a required outreach component included in the Council approved policy for architectural and engineering consultant services.
3. Public distribution will be made of staff's analysis of whether or not a project meets the criteria for eligibility under the charter, prior to Council deciding to proceed with this project delivery method.
4. Public distribution will be made of proposed selection criteria and RFP provisions prior to Council approval.
5. Public distribution will be made of evaluations and scoring of Design Build entity proposals prior to Council selection of a Design Build entity.
6. Public distribution will be made of the terms and conditions of negotiated Design Build contracts prior to Council awarding contracts.

# PUBLIC WORKS DEPARTMENT STAFFING PLAN PROCESS/TIMELINE

